

Message Text

CONFIDENTIAL

PAGE 01 LISBON 05476 121446Z

43

ACTION EUR-12

INFO OCT-01 ISO-00 EURE-00 SSO-00 NSCE-00 USIE-00 INRE-00

SS-15 NSC-05 AID-05 PRS-01 CIAE-00 INR-05 NSAE-00

RSC-01 SAM-01 SP-02 L-02 PA-01 EB-07 OMB-01 CCO-00

TRSE-00 XMB-02 H-01 AF-04 /066 W
----- 039852

Z 121416Z DEC 74 ZFF-6

FM AMEMBASSY LISBON

TO SECSTATE WASHDC FLASH 1241

INFO AMEMBASSY BRUSSELS FLASH

C O N F I D E N T I A L LISBON 5476

BRUSSELS FOR SECRETARY'S PARTY

E.O. 11652: GDS

TAGS: PFOR, EAID, PO

SUBJ: ASSISTANCE TO PORTUGAL

REF: LISBON 5458

1. GOP HOPES ANNOUNCED AID PACKAGE THIS AFTERNOON. DEPARTMENT WILL NOTE DELETION OF SECTION ON MONETARY RESERVES. GOP REQUESTED THIS BECAUSE OF THEIR SENSITIVITY TO SUGGESTION THAT THEY HAVE PROBLEM IN THIS AREA.

2. EMBASSY WOULD APPRECIATE FLASH CONCURRENCE FROM DEPARTMENT SO ANNOUNCEMENT CAN MAKE EVENING TV AND MORNING PAPERS. IT IS IMPORTANT THAT ANNOUNCEMENT GET OUT BEFORE SOCIALIST CONGRESS WHICH STARTS TOMORROW IN ORDER TO SHOW SUPPORT FOR OUR FRIENDS.

3. FOLLOWING TEXT HAS BEEN AGREED UPON BY PRESIDENCY:
QUOTE FOLLOWING THE MOST USEFUL CONVERSATIONS THE PRESIDENT OF THE REPUBLIC HAD WITH PRESIDENT FORD AND SECRETARY KISSINGER IN WASHINGTON, THE GOVERNMENTS OF THE UNITED STATES AND
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LISBON 05476 121446Z

PORTUGAL AGREED THAT A POSITIVE DEMONSTRATION OF US

SUPPORT AND CONFIDENCE IN PORTUGAL'S FUTURE WOULD BE TIMELY AND HELPFUL.

QUOTE WITHIN THE RESOURCES IMMEDIATELY AVAILABLE TO IT, THE US GOVERNMENT HAS OFFERED TO BEGIN AT ONCE A PROGRAM OF ECONOMIC ASSISTANCE AND COOPERATION WHICH WILL ADDRESS ITSELF TO THE PORTUGUESE GOVERNMENT'S HIGH PRIORITY NEEDS IN THE FIELDS OF HOUSING, AGRICULTURE, TRANSPORTATION, PUBLIC ADMINISTRATION, EDUCATION, AND HEALTH, AND IN THE AREAS OF FINANCE AND ECONOMY.

QUOTE THE PROGRAM OF ECONOMIC ASSISTANCE AND COOPERATION IS INTENDED AS AN EARNEST OF U.S. GOVERNMENT SUPPORT FOR PORTUGAL IN ITS EFFORT TO CONSTRUCT A FREE AND DEMOCRATIC SOCIETY.

QUOTE THE PRINCIPAL ELEMENTS OF THE PRESENT PHASE OF ECONOMIC ASSISTANCE AND COOPERATION ARE THE FOLLOWING:

--THE U.S. GOVERNMENT WILL GUARANTEE UP TO DOLS 20 MILLION IN PRIVATE AMERICAN LOANS FOR THE CONSTRUCTION OF HOUSING IN PORTUGAL.

-- US GOVERNMENT EXPERTS IN THE FIELDS OF AGRICULTURE, TRANSPORTATION, PUBLIC ADMINISTRATION, EDUCATION, AND HEALTH WILL BE MADE AVAILABLE TO PORTUGAL ON A SHORT-TERM BASIS AT NO CHARGE WHEN REQUESTED BY THE PORTUGUESE GOVERNMENT.

--OPPORTUNITIES FOR PORTUGUESE TO STUDY AND TRAIN IN THE UNITED STATES WILL BE INCREASED ACCORDANCE WITH PORTUGAL'S PRESENT NEEDS.

-- THE EXPORT-IMPORT BANK WILL GIVE SYMPATHETIC CONSIDERATION TO FINANCING US GOODS AND SERVICES NEEDED FOR PORTUGUESE DEVELOPMENT PROJECTS.

-- IN ADDITION TO DIRECT, BILATERAL ASSISTANCE, THE US AT THE REQUEST OF THE GOVERNMENT OF PORTUGAL WILL:
A) SUPPORT PORTUGAL IN INTERNATIONAL ORGANIZATIONS, SUCH AS THE WORLD BANK, THE INTERNATIONAL MONETARY FUND, AND THE
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LISBON 05476 121446Z

ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT;

B) URGE OTHER FRIENDLY COUNTRIES TO HELP PORTUGAL TOO, EITHER BILATERALLY OR IN CONJUNCTION WITH THE US.

QUOTE APPROPRIATE MINISTRIES OF THE TWO GOVERNMENTS ARE BEGINNING IMMEDIATELY TO WORK OUT THE DETAILS OF THE PROGRAM SO THAT IT CAN BEGIN AT ONCE.

QUOTE IN ADDITION, PRESIDENT FORD AND SECRETARY KISSINGER ARE
STRONGLY SUPPORTING SENATOR KENNEDY'S PROPOSAL FOR AID TO
PORTUGAL. IF ENACTED INTO LAW, THIS PROPOSAL WILL INCREASE
THE RESOURCES IMMEDIATELY AVAILABLE TO THE US GOVERNMENT FOR
ASSISTANCE TO PORTUGAL BY DOLS 50 MILLION IN LOAN FUNDS AND
DOLS 5 MILLION IN GRANT AID, TO BE DIVIDED
EQUALLY BETWEEN PORTUGAL AND PORTUGAL'S AFRICAN TERRITORIES
AND FORMER TERRITORIES. END QUOTE
SCOTT

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN ASSISTANCE, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 12 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LISBON05476
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740361-0145
From: LISBON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741240/aaaabilm.tel
Line Count: 125
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 74 LISBON 5458
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 08 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 APR 2002 by boyleja>; APPROVED <26 MAR 2003 by CunninFX>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ASSISTANCE TO PORTUGAL
TAGS: PFOR, EAID, PO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005